

Message Text

CONFIDENTIAL

PAGE 01 STATE 060587

71

ORIGIN SS-30

INFO OCT-01 ISO-00 SSO-00 CCO-00 /031 R

DRAFTED BY EUR/NE CLFLOYD;MT
APPROVED BY EUR WELLS STABLER, ACTING
EUR/NE - WILLIAM A. BUELL, JR.
S/S -MR. LUERS
EUR/RPM - COL. THOMPSON (SUBS)
DOD/ISA -COL. ACKERSON

----- 096247

O 262303Z MAR 74 ZFF4
FM SECSTATE WASHDC
TO AMEMBASSY MOSCOW IMMEDIATE

C O N F I D E N T I A L STATE 060587

EXDIS, TOSEC 72

E.O. 11652: XGDS
TAGS:PFOR,MCAP, MARR, UK
SUBJECT: UK DEFENSE EXPENDITURES: TALKING POINTS FOR THE
SECRETARY'S LONDON VISIT, MARCH 28

REFS: A. USNATO 1568
B. LONDON 3676
C. LONDON 3821

1. THE FOLLOWING SHOULD BE ADDED AS TOPIC EIGHT TO THE LIST
OF TALKING POINTS IN THE BRIEFING MEMORANDUM FOR THE
SECRETARY'S LONDON VISIT.

DEFENSE EXPENDITURES

UK POSITION: THE WILSON GOVERNMENT IS COMMITTED TO CUTS IN
DEFENSE EXPENDITURES. CUTS OF ONE BILLION POUNDS WERE MEN-
TIONED IN ELECTION ORATORY; THE LABOR PARTY MANIFESTO ITSELF
SPEAKS OF SAVINGS OF "SEVERAL HUNDRED MILLION" POUNDS. ROY
MASON, THE NEW DEFENSE MINISTER, REAFFIRMED THE GOVERNMENT'S
INTENTION TO CUT DEFENSE SPENDING IN A WRITTEN PARLIAMENTARY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 060587

QUESTION REPLY (PQR) TO THE HOUSE OF COMMONS ON MARCH 21.

MASON REITERATED THE MANIFESTO PLEDGE TO BRING THE UK DEFENSE BURDEN "...INTO LINE WITH THOSE CARRIED BY OUR MAIN EUROPEAN ALLIES." AT THE SAME TIME, HE STRESSED THAT NATO WOULD REMAIN THE "LINCH-PIN OF OUR SECURITY," AND THAT THE

REVIEW OF UK MILITARY PRESENCE OUTSIDE EUROPE WOULD BE CARRIED OUT WHILE, "...RECALLING THE DECISION TAKEN BY HER MAJESTY'S GOVERNMENT IN 1968 THAT OUR FORCES SHOULD BE WITHDRAWN FROM SOUTHEAST ASIA." MASON WENT ON TO SAY THAT THERE WOULD BE FULL CONSULTATION WITH THE UK'S ALLIES, "...WHEREVER THEIR INTERESTS ARE INVOLVED."

BRITISH ASSURANCES TO US THAT THEY WOULD PURSUE A MODERATE APPROACH WERE BORNE OUT IN THE 1974/75 DEFENSE BUDGET FIGURES PUBLISHED ON MARCH 26. EXPENDITURES WILL BE CUT BY ONLY FIFTY MILLION POUNDS OVER THE LEVEL SET BY THE HEATH ADMINISTRATION IN DECEMBER. A COMPREHENSIVE REVIEW OF EXPENDITURES WILL CONTINUE AND THE RESULTS WILL BE FORMULATED INTO A COMPREHENSIVE WHITE PAPER, PROBABLY IN EARLY SUMMER. AFTER MINISTERIAL CONSIDERATION, ALLIES -- PARTICULARLY THE US -- WILL BE CONSULTED AND THE PAPER PUBLISHED IN THE FALL, ACCORDING TO OUR SOURCES.

US POSITION: HOWEVER MODERATE THE LABOR APPROACH, THE LEVEL OF UK DEFENSE EXPENDITURES IS DECREASING. WHILE THE CUTS ANNOUNCED IN THE NEW BUDGET ARE MODEST, WHEN COUPLED WITH THE CUT OF 178 MILLION POUNDS ANNOUNCED BY THE CONSERVATIVES IN DECEMBER, THEY ARE CERTAIN TO DELAY CURRENT PROCUREMENT PROGRAMS. FURTHER CUTS ARE LIKELY TO AFFECT MANPOWER LEVELS, AND AS NOTED ABOVE, INDICATIONS ARE THAT REDUCTIONS OF BRITISH MILITARY PRESENCE IN SOUTHEAST ASIA WILL PROBABLY BE THE FIRST CASUALTY OF MANPOWER REDUCTIONS. WE ARE INTENSELY INTERESTED IN THE CLOSEST CONSULTATION WITH THE BRITISH ON THE QUESTION OF DEFENSE EXPENDITURES IN ORDER TO AVOID DETERIORATION IN NATO EFFECTIVENESS AND TO INSURE THAT THE WORLD-WIDE BURDEN FOR COLLECTIVE SECURITY IS EQUITABLY DISTRIBUTED.

YOUR TALKING POINTS:
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 060587

YOU MAY WISH TO:

-- STATE THAT WE ARE AWARE THAT THE LABOR GOVERNMENT IS TAKING A MODERATE APPROACH TO THE QUESTION OF DEFENSE EXPENDITURES.

--REITERATE THE ADVERSE IMPACT THAT UK MANPOWER CUTS

COULD HAVE ON MBFR NEGOTIATIONS AND ON OUR ABILITY TO
MAINTAIN US TROOP LEVELS IN EUROPE.

-- EMPHASIZE THE NECESSITY FOR CLOSE AND CONTINUING, CON-
SULTATIONS ON DEFENSE EXPENDITURES BOTH BILATERALLY AND IN
NATO, PARTICULARLY AS THEY AFFECT TROOP LEVELS.

2. REFTELS ARE BEING REPEATED IN THE TOSEC SERIES AS
BACKGROUND. RUSH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BUDGET, MILITARY EXPENDITURES, MILITARY BUDGET, NEGOTIATIONS, CENTRAL LEGISLATURE, MILITARY PLANS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE060587
Document Source: CORE
Document Unique ID: 00
Drafter: NE CLFLOYD;MT
Enclosure: n/a
Executive Order: X
Errors: N/A
Film Number: D740065-0638
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740313/aaaaamhl.tel
Line Count: 124
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: A. USNATO 1568
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 04 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 JUN 2002 by rowelle0>; APPROVED <03-Sep-2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK DEFENSE EXPENDITURES: TALKING POINTS FOR THE SECRETARY'S LONDON VISIT, MARCH 28
TAGS: PFOR, MCAP, MARR, UK
To: MOSCOW
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005